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DDA 76-2801

7 June 1976

MEMORANDUM FOR: Director of Communications
Director of Finance
Director of Joint Computer Support
Director of Logistics
Director of Medical Services
Director of Personnel
Director of Security
Director of Training

FROM : John F. Blake
Deputy Director for Administration

SUBJECT : FY 1978 Program Submission to O/Comptroller

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1. At the DD/A Planning Team Conference held early in
the year [   ] the group was
asked to identify the major problems facing our personnel who
are responsible for planning. One of the two problems
identified was lack of information or advance warning on
requirements to be levied on the DD/A Offices. While there
is some validity to this conclusion, we have doubts that we
will ever be in the happy position of receiving a complete
and itemized "laundry list for all components and Directorates."
Perhaps the best we can hope for is to be kept apprised of
planning by others from which we ourselves can draw inferences
of the impact of our resources.

2. Attached for your information is a copy of the over-
view statement transmitting the recommended DD/A Program for
FY 1978. Additionally, I am circulating a copy of each
Office's Program. It is suggested that these be made avail-
able to your senior staff personnel (including the DD/A
Planning Team members) and to those senior operating personnel
having an interest.

/s/ John F. Blake

John F. Blake

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DD/A 76-2766

7 JUN 1976

MEMORANDUM FOR: The Comptroller

FROM : John F. Blake
Deputy Director for Administration

SUBJECT : FY 1978 Program Plan

1. FY 1978 Program Plans for components of the Directorate of Administration are transmitted herewith. I have reviewed them thoroughly and believe the resources requested are reasonable and necessary for the fulfillment of our mission.

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3. Key issues pertinent to the operation of this Directorate during FY 1978 are outlined in Attachment A.

4. Operating in FY 1978 at or 2% below the FY 1977 level would result in reductions of approximately [   ] respectively. Needless to say, a reduction of this magnitude cannot be sustained without seriously impairing the Directorate's ability to fulfill its mission. On-going programs would have to be curtailed or deleted entirely. One of the more complicating factors is

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Therefore, to a great degree, the Agency has little if any control over these increases. The consequences of a possible arbitrary reduction in these costs are detailed in attachment B. The reductions as shown appear rather arbitrary; and if a fund reduction does become necessary, we would want to reserve the right to review the Directorate's resource packages/programs again before any final decisions are made.

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DD/A 76-2766

SUBJECT: FY 1978 Program Plan

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     5. There are Office requirements totalling ⬚   25X1
that cannot be accommodated within the
Transition Quarter and FY 1977 allowances. These figures do
not include costs pertaining to the Selective Service Build-
ing. A breakdown of these requirements is shown in Attach-
ment C.

     6. The Directorate five-year program projections are
shown in Attachment D.

/s/ John F. Blake

John F. Blake

Attachments:
  A. Key Issues
  B. Consequences of Arbitrary Reduction
  C. Office Requirements
  D. Five-year Program Projections
  E. Total Funding - Directorate/Office
  F. Total Funding - MOC/SOC

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Attachment A

DIRECTORATE OF ADMINISTRATION

KEY ISSUES

+ Increased Statutory Requirements
+ Uncontrollable Costs for Services Received
  from Other Agencies
+ Growth and Control of Computer Requirements
+ Participation in Counterterrorism Programs
+ Single Transportation Allotment

1. Increased Statutory Requirements

        Over the last two years, several statutory requirements have been levied on
all Government agencies. The Freedom of Information (FOIA), Privacy and Fair Labor
Standards Acts (FLSA) have had a tremendous impact on resources available to the CIA
and the Directorate of Administration. During Fiscal Year 1976, personnel from all
Offices have been diverted from the fulfillment of their basic mission to respond to
the workload generated by these laws, but the Offices of Finance (OF), Joint Computer
Support (OJCS), Personnel (OP), and Security (OS) have been especially hard pressed.
Work on the implementation of the Fair Labor Standards Act has drawn heavily on the
resources of OF, OJCS, and OP. The intricacies of this law required many man-days of
system development to create reporting techniques and programs that would allow
adaptation of FLSA to the Agency payroll system. Varying interpretations and rulings
on the intent of this Act are still causing changes in Agency policy and payroll sys-
tems.

        The Freedom of Information and Privacy Acts continue to be a burden for the
Directorate in general and OS in particular. As many as 22 OS personnel at a time have
been detailed to information release activity. There is no evidence that Congress
will make any drastic changes in the requirements levied by these laws, nor has there
been identified any recognizable means for accurately forecasting long-range work
variations. The activity and the volume of the work that the FOIA and Privacy Act
generate is dependent upon outside influences, including the Congress and the public.

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2. Uncontrollable Costs for Services Received from Other Agencies

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        The General Services Administration (GSA) Standard Level User Charges (SLUC)
continue to escalate. Agency acquisition of the ▨▨▨▨▨▨▨▨Building is expected
to complicate the funding of SLUC in FY 1978, when there will be an estimated 30 per-
cent increase to

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3. Growth and Control of Computer Requirements

        In mid-1974 the Comptroller's Information Processing Staff was abolished and
certain functions concerned with the review and approval of proposals for acquiring
ADP equipment and services were transferred to OJCS without commensurate resources.
Headquarters Regulation☐☐☐describes procedures for review and approval of ADP pro-
posals, but without the resources to carry out this function, OJCS believes the control
to be superficial and the review and approval mechanism of questionable effectiveness.
As a remedy, OJCS suggests a staff of six to eight people who would have greater in-
volvement in the early phases of ADP planning in Agency components. They also seek
authority for binding decisions. It is apparent that a review by senior management is
needed to improve this control over ADP and the resources allocated to this function.

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4. Participation in Counterterrorism Programs

        "The people who killed Richard Welch on 23 December 1975 in front of his home
in Athens belong to a not-too-exclusive and ever growing club. They go by the name of
'terrorists.' Terror is their game. Terror is their product. And they have been
moving their product at an awesome rate."[1]

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5.   Single Transportation Allotment

        The Office of Logistics has $2 million programmed in the FY 1977 Congressional
Budget for the Agency Transportation Allotment. This is below both the $3 million
that they requested and the $3.5 million allotted OL in FY 1976. It is doubtful, with
the trend of escalating transportation costs resulting from general inflation as well
as rising fuel costs, that any reduction in transportation costs will occur. Logistics'
only affirmative course of action is counseling users to better plan their requirements,
thus negating the need for premium transportation. Without supplemental funding, OL
will be unable to completely cover this account.

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                              Personnel Protection Program, DDA Exchange, April 1976.

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Attachment A

MAJOR ACCOMPLISHMENTS AND SIGNIFICANT PROBLEMS

1. Major Accomplishments

Despite erratic performance by the [   ] the Office of   25X1
Communications (OC) has managed to maintain continuity of service between Headquarters
and overseas stations. Major programs such as [   ] operation of the Message Net-   25X1
work, Data Communications and Unclassified Telephones have proceeded well. The President,
the Secretary of State and other high-ranking Government officers continue to receive
constant OC support during their travels. The Offices of Finance (OF) and Joint Com-
puter Support (OJCS) have completed the design coordination and begun user acceptance
testing of the new General Accounting System which is reputed to be among the most
advanced accounting systems in Government today. Another notable event for OJCS was
the installation in December 1975 of its first IBM 370-168 computer and the conversion
of interactive users to this system.

During the first half of FY 1976, the Office of Logistics (OL) provided major
support to the special, high-priority [   ] project. The quality of the support   25X1
rendered was so outstanding in terms of timeliness and professionalism that a written
commendation was received from the area division concerned and verbal commendations were
received indirectly from the Secretary of State and President of the United States. As
a result of the Presidential Executive Order of 19 February 1976, OL was tasked with
finding alternative office space for the DCI, the Committee on Foreign Intelligence and
the Intelligence Community Staff. Through some exceptional efforts, acceptable space
was located at [   ] [   ] and OL is pushing as   25X1
quickly as possible toward occupancy.   25X1

The Office of Medical Services (OMS) has standardized and implemented the
Multiphasic Testing/Periodic Health Examination (MPT/PHE) program which allows OMS to
evaluate and examine all Headquarters employees on a two-year cycle. The OMS Xero-
mammography program, initiated as a test program in March 1975 and limited to dependent
wives processing for overseas, is now available to all Agency employees. Through April
1976, [   ] employees and dependents have availed themselves of the procedure. In   25X1
slightly over ten percent of these tests, significant pathology has been found.

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        During FY 1976, the Office of Personnel (OP), implemented the single ceiling
concept in personnel reporting. In addition, OP completed development and application
of a systems model for computer use to project age and grade distribution. The Annual
Personnel Plan (APP) succeeded in focusing the attention of management on the rating
creep in fitness reports; many sub-career groups are issuing guidance to correct this
situation.

        The Office of Security (OS) achieved significant success in safety planning by
establishing a Safety Officer in each Agency component at each major level of manage-
ment. With this goal realized, the OS Safety Branch was then able to devote its
attention to the management and technical advisory aspects of the Agency's safety pro-

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        The Office of Training (OTR) has responded to the demand for increased training
by adding new courses in all training units. The Functional Training Division has
developed new "core" and elective management and administrative courses and has increased
the number of information science course runnings. Other OTR components have devised
new or better programs, and all of the new courses are part of the curriculum developed
through OTR's planning system. The planning approach has led to better use of training
resources in the face of increased training requirements--student days were up 33 per-
cent during the first eight months of FY 1976 over the same period in FY 1975.

        From the Directorate standpoint we must recall the climate of FY 1976 and the
challenges presented to the Agency. A tremendous effort was required from many people
in many Offices to accommodate the Congressional Committees investigating the Agency.
As these requirements were completed, a feeling of success developed as we realized that
the demands, which were almost always sudden and always urgent, were satisfied without
infringing on the basic missions of the Directorate--a great tribute to the willingness
of our people to extend themselves again and again to accomplish not only the routine,
but also the extraordinary. When one considers that on top of the Congressional investi-
gations was overlaid the Freedom of Information and Privacy Act workload, it seems re-
markable that the Agency was able to attend to its basic mission at all.

Attachment A

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2. Significant Problems

Major problems encountered by the Office of Communications during FY 1976 were a personnel shortage due to the retirement at the end of FY 1975 of many senior and mid-level OC managers and employees and a significant shortfall in funds. Major recruiting efforts by OC were not as successful as desired and have left the Office in a position

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Not only has the move to the [ ] resulted in a $285 thousand unprogrammed cost for terminals and remote job processing equipment for the Office of Joint Computer Support (OJCS), but it also requires taking six people from the already overburdened Operations Division to staff the remote equipment. This is but one example of the many demands placed on OJCS. The constantly rising demands for new computer applications from every part of the Agency is seriously straining OJCS resources. Successful applications generate new requests for additional facilities so that the demand pyramids in logarithmic fashion. Requests for additional resource allocations to handle these demands are a problem for higher management which, because of the times, is trying to hold to existing levels or reduce personnel and other costs. Without additional resources or an effective management mechanism for controlling input to OJCS, the predictable result is customer dissatisfaction with the level of computer support.

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The move to Rosslyn of several more Office of Personnel components is likely to have a negative effect on improvements accomplished over the last two years in the Professional Staffing Branch of the Staff Personnel Division. The move will require the revamping of the Skills Bank concept and only time will tell what effect the move will have on efforts to reduce the applicant review and processing period. The time involved in transporting applicant files between the various buildings will, by itself, assume major importance.

In summary, there are several issues which have created shortages in Directorate of Administration personnel and dollar resources during FY 1976 and portend the same for FY 1977 and FY 1978.

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     Manpower resources needed to meet personnel staffing requirements for pro-
fessionals in a rotational cycle, training for professional positions and providing TDY
support to overseas stations continues to stretch personnel resources to the limit,
especially in the Office of Finance, Logistics, Medical Services and Security. Lack
of positions to support these activities has a definite, detrimental impact on effective
career and Office management.

     As outlined earlier, terrorism and increasing demands on computer applications
are also eating heavily into personnel resources. On a Directorate-wide basis, the
reduction in both Headquarters and overseas positions is creating a "double-jeopardy"
situation in which personnel being returned to a sub-career group because of these cuts
find no positions available. Cutbacks in overseas, uniformed medical personnel are
affecting OMS which is losing overseas positions, losing viable cover status for its
personnel and, because of military withdrawals, is being relied on more and more to
respond to overseas medical requests on a TDY basis--a time, personnel and dollar-
intensive solution to the problem.

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Directorate of Administration
Five-Year Program Projection Assumptions
FY 1978-FY 1982

Office of Communications

   1.   Conversion of the worldwide network from high frequency radio operation
to satellite operation will continue at least through FY 1980-81 when the
program will be virtually completed except for on-going operation, maintenance,
and support.

   2.   As a reliable, redundant satellite operation becomes a reality, Commo
will reduce its personnel resources at the overseas relay stations permitting
reduction of personnel assigned to the Office.

   3.   Secure voice will expand considerably in the Washington area.

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Attachment D, page 3

Office of Joint Computer Support

1. Project SAFE will be approved.

2. CAMS will require enhancements and improved backup.

3. Application development will continue because of requirements for some new user applications and changes to on-going applications; computer workloads will increase from the additional maintenance and processing that is created with each new application.

4. Reliability and uptime for computer systems will become more critical as the number of on-line data base applications increases. This will require additional computers.

5. Application of minicomputers will be exploited to reduce workloads on large computer systems and to provide effective distributive computer service for certain user requirements.

6. The number of remote terminals and special devices will expand; improved data communications will be required to support these devices.

7. Access to on-line data bases will need to be provided around-the-clock for a large number of users.

8. The number of people in the Agency utilizing computers will continue to increase during the FY 1979-82 period.

Office of Logistics

1. Continued reductions in personnel resources, reorganization of the Agency and the Intelligence Community, continued changes in Federal legislation, reduced posture of U.S. Military overseas, installation of new or improved computer technology, and the recently approved [   ] 25X1A will impact on future OL programs.

2. There will be some increase in transportation activity and routine transportation cost as well as increased requirements for premium transportation.

3. The space consolidation and relocation program will continue with emphasis on proximity and accessibility to the Headquarters Building in Langley. In addition, we must continue to plan for and improve or modify space for the various components to satisfy organizational changes, adjustments in personnel levels, and changes in computer technology.

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4. We foresee an increasing demand for TDY professional services in support of [   ] foreign field activities and activities in the Washington metropolitan area.

5. Engineering support to be provided in the future must be geared to increasingly complex and less forgiving technical systems.

6. The above factors, plus continued personnel reductions, make it mandatory that we continue to emphasize internal and external training programs and encourage cross-training to provide multiskilled personnel.

SLUC

Estimates for this account are projected at a compounded yearly % increase of 7.5% FY 1979-82.

Other Offices

The other Office projections are based on the assumption that there will be a continuation of on-going programs, no new major efforts requiring extensive funding to be undertaken, and resource requirements should remain essentially the same as FY 1978.

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